

WEIL, GOTSHAL & MANGES LLP
767 Fifth Avenue
New York, New York 10153
Telephone: (212) 310-8000
Facsimile: (212) 310-8007
Richard P. Krasnow

Attorneys for Debtors
and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re : Chapter 11 Case No.
: :
LEHMAN BROTHERS HOLDINGS INC., et al. : 08-13555 (JMP)
: :
Debtors. : (Jointly Administered)
: :
: :
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**NOTICE OF FOURTEENTH SUPPLEMENTAL DECLARATION
OF ALVAREZ & MARSAL NORTH AMERICA, LLC IN
CONNECTION WITH ITS EMPLOYMENT AND RETENTION**

PLEASE TAKE NOTICE that, on October 18, 2011, Lehman Brothers Holdings Inc. (“LBHI”) and its affiliated debtors in the above-referenced chapter 11 cases, as debtors and debtors in possession (together, the “Debtors”) filed the attached Fourteenth Supplemental Declaration of Alvarez & Marsal North America, LLC in compliance with the Order Approving Application Pursuant to Sections 105(a) and 363(b) of the Bankruptcy Code

for Authorization to Employ and Retain Alvarez & Marsal North America, LLC.

Dated: October 18, 2011
New York, New York

/s/ Richard P. Krasnow
Richard P. Krasnow
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New York, New York 10153
Telephone: (212) 310-8000
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In re : Chapter 11 Case No.
LEHMAN BROTHERS HOLDINGS INC., *et al.* : 08-13555 (JMP)
Debtors. : (Jointly Administered)
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**FOURTEENTH SUPPLEMENTAL DECLARATION OF ALVAREZ & MARSAL NORTH
AMERICA, LLC IN CONNECTION WITH ITS EMPLOYMENT AND RETENTION**

John Suckow makes this declaration under 28 U.S.C. § 1746, and states:

1. I am a Managing Director with Alvarez & Marsal North America, LLC (together with its wholly owned subsidiaries, affiliates (which are owned by Alvarez & Marsal North America, LLC's parent company, Alvarez & Marsal Holdings, LLC ("A&M Holdings") and employees), agents, independent contractors, and employees, "A&M"), a professional services firm with numerous offices throughout the world. Unless otherwise stated herein, I have personal knowledge of the facts set forth herein or have been informed of such matters by professionals of A&M. To the extent any information disclosed herein requires amendment or modification upon A&M's completion of further review or as additional party in interest information becomes available to it, a further supplemental declaration reflecting such amended or modified information will be submitted to the Court.

2. A&M has previously submitted declarations dated October 8, 2008 [ECF No. 760]; November 4, 2008 [ECF No. 1366]; November 17, 2008 [ECF No. 1559]; February 6, 2009 [ECF No. 2754]; May 19, 2009 [ECF No. 3606]; September 16, 2009 [ECF No. 5196]; November 4, 2009 [ECF No. 5706]; November 25, 2009 [ECF No. 5947]; February 19, 2010 [ECF No. 7173]; June 18, 2010 [ECF No. 9671]; September 8, 2010 [ECF No. 11210];

November 19, 2010 [ECF No. 12945]; March 21, 2011 [ECF No. 15215]; and June 29, 2011 [ECF No. 18156] (collectively the “Prior Declarations”) in support of the October 8, 2008 application (the “Application”) of Lehman Brothers Holdings Inc. (“LBHI”) and its affiliated debtors in the above referenced chapter 11 cases, as debtors in possession (together the “Debtors” and collectively with their non-debtor affiliates “Lehman”), pursuant to sections 105(a) and 363(b) of chapter 11 of the United States Code (the “Bankruptcy Code”) for Authorization to Employ and Retain Alvarez & Marsal North America, LLC to Provide the Debtors With a Chief Restructuring Officer and Additional Personnel, and to Appoint the Chief Restructuring Officer *Nunc Pro Tunc* to September 15, 2008. [ECF No. 760].

3. On December 17, 2008, the United States Bankruptcy Court for the Southern District of New York entered an order approving the Application and the Debtors’ employment and retention of A&M. [ECF No. 2278].

4. I am submitting this Fourteenth Supplemental Declaration to publicly disclose certain additional information that has become available to A&M since the filing of the Prior Declarations.

Additional Parties In Interest

5. As set forth in the Prior Declarations, and in connection with its proposed retention by the Debtors in these cases, A&M has undertaken an ongoing analysis to determine whether it has any conflicts or other relationships that might cause it not to be disinterested or to hold or represent interests adverse to the Debtors.

6. Specifically, A&M becomes aware, from time to time, of relationships it has with parties-in-interest to the Debtors’ cases (“Parties-In-Interest”). In addition to the matters

disclosed in Prior Declarations, since the filing of the last declaration it has come to our attention that

- a. A&M or its affiliates provide consulting services to the Parties in Interest listed below (or their affiliates) with respect to matters unrelated to the Debtors or their Chapter 11 cases. These Parties in Interest or their affiliates have outstanding claims against the Debtors.
 - Stonehill Institutional Partners, L.P. and Stonehill Master Fund Ltd.
 - Varde Investment Partners
 - National Bank of Greece
- b. A&M or its affiliates provide consulting services to GSO Capital (or its affiliates). Certain GSO affiliates or managed funds may hold interests in the Debtors' bonds.
- c. A&M or its affiliates provide consulting services to the Parties in Interest listed below (or their affiliates) with respect to matters unrelated to the Debtors or their Chapter 11 cases. The Debtors hold certain investments (ie, loans, bonds or equity interests) (the "Debtors' Investments") in these Parties in Interest or their affiliates or funds managed by such Parties in Interest or their affiliates. The services provided to these Parties in Interest are with respect to matters unrelated to the Debtors or the Debtors' Investments.
 - Firth Rixson (the Debtors holds approximately \$108 million in Firth Rixson's equity and mezzanine loans and \$17 million in senior term loans)
 - Macquarie Capital

- d. A&M provides consulting services to the Official Committee of Retired Employees and Official Committee of Long-term Disability Participants appointed in the chapter 11 bankruptcy case(s) of Nortel Networks Inc. *et al* and its affiliated debtors ("Nortel"). The Debtors hold certain claims against Nortel.
- e. A&M or its affiliates provide consulting services to Clarion Partners. Clarion Partners and certain Debtors or non-debtor affiliates of the Debtors have a joint venture in connection with a residential real estate investment (the "Clarion JV"). A&M's services to Clarion are unrelated to the Clarion JV or these chapter 11 cases.
- f. A&M provides financial advisory services to V2V Holdings LLC and certain of its affiliates (aka Vertrue) ("Vertrue"), which services may include advising Vertrue on matters relating to its current loan facilities. Certain Debtors hold approximately ten percent of Vertrue's outstanding secured debt and are the agent on its secured term loan facilities. The Debtors are in the process of transferring the agency to a third party and the Debtors' Vertrue debt positions are managed by a third party on the Debtors' behalf. No A&M personnel that provide services to Vertrue will work on the Debtors' engagement (and vice versa) and A&M personnel providing services to the Debtors will recuse themselves from the decision making process with respect to matters relating to the Vertrue debt positions.

7. A&M does not believe that any of the additional disclosures described above create conflicts of interest regarding the Debtors or their chapter 11 cases. A&M continues to believe

that it is "disinterested" within the meaning of the term as it is used in section 101(14) of title 11 of the United States Code.

I declare under penalty of perjury that, to the best of my knowledge, and after reasonable inquiry, the foregoing is true and correct.

Dated: October 18, 2011
New York, New York

/s/ John Suckow
John Suckow, Managing Director